Receipt is acknowledged of the Notice of Allowance in the above-captioned application. A

Request for Continued Examination (RCE) and Information Disclosure Statement (IDS) are

enclosed. The Commissioner is hereby authorized to debit any and all amounts due from Deposit

Account No. 50-3355, and it is requested that any overpayments in this application be credited

thereto. In addition, please note that Applicant claims small entity status.

The present Request for Continued Examination is being filed to forward an Information

Disclosure Statement and bring current litigation to the Patent Office's attention. Specifically,

Applicant's company and a licensee have sued an infringer of several of Applicant's patents in

litigation captioned Arcs and Angles, Inc. and Zahner Design Group, Ltd. v. Carnation Home

Fashions, Inc. (Southern District of New York, Civil Action No. 09 Civ. 1467). The case was filed

to redress infringement of the patents that have issued from Applicant's related applications, namely,

U.S. Patent Nos. 6,494,248 (the "248 Patent"), 6,935,402 (the "402 Patent"), and 7,296,609 (the

"609 Patent") (collectively "the ZDG patents").

In that litigation, the infringer has alleged that the ZDG patents are invalid as being

anticipated by or obvious over U.S. Patent No. 5,590,972 issued to Shobin. Those allegations are

entirely without merit.

The Shobin patent is irrelevant to Applicant's inventions. As shown therein, Shobin is

directed to a spiral notebook. It is not relevant or analogous art to the present application or the

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related patents. A spiral notebook has nothing to do with the hanging products of Applicant's

inventions, e.g. towel products (in the present application) and shower curtains (in the parent ones).

Furthermore, Shobin does not disclose the claimed requirements for a ring which is affixed

to an article, the rings having a slit therein.

In fact, the Shobin patent teaches away from Applicant's inventions. It is directed to

preventing removal of a page from a spiral notebook. It has nothing to do with the present

inventions which are directed to easily <u>allowing</u> removal of towels and so forth from rods and other

supports.

For example, Shobin describes the use of reinforcement sheets 60a and 60b, initially having

opposing slits 68a and 68b, the slits being angled in opposite directions to cross or angle toward each

other (see e.g., Figures 5 and 6, Abstract, final three lines, and col. 6 lines 27-30). As shown in the

figures, Shobin's design then closes the slits by sealing them against the paper, to prevent the spiral

wire from moving through those slits. Shobin's intent is to provide an unbroken layer of

reinforcement material on a page of paper (see e.g., col. 2 lines 52-54) so that the paper does not

come out of the notebook.

Thus, Shobin has the exact opposite objective from Applicant's inventions. Shobin's

combination of reinforcement layer with paper is configured to close off the initial slits in the

reinforcement layer, and to seal any tears in the paper. Accordingly, the assembled product has no

slits or tears extending to the paper's edge, thereby preventing the paper from coming out of a spiral

notebook.

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This is contrary to the principle of Applicant's claimed inventions, which intentionally

provide a slit in the assembled product. Applicant's products easily attach to a support via a slit in

a ring, which is used to hang them up, and can be easily removed from the support via that slit, to

allow the consumer to use them.

Furthermore, any modification of the Shobin reference to provide Applicant's claimed rings

with slits would change Shobin's principle of non-removal, which is the very purpose of Shobin's

design. Therefore, any such modification of Shobin would be non-obvious. See e.g., M.P.E.P.

\$2143.01 VI (if the proposed modification of the art would change the principle of operation of the

art, then the teachings of the reference are not sufficient to render the claims obvious).

This is all in addition to the fact that Shobin's spiral notebook is completely irrelevant to

Applicant's claimed inventions, which are directed to towels, pot holders, and so forth.

In view of the above, it is believed that all of the claims remain allowable. Favorable action

on the application is respectfully requested.

Dated: February 16, 2010

Respectfully submitted,

/Morris E. Cohen/

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